

C O P Y

11 August 1954

MEMORANDUM FOR: Director of Central Intelligence
THRU : Mr. L. Kirkpatrick
SUBJECT : CIA Position with Respect to Increased Coordination
of Intelligence Budgets

1. Proposition:

- a. That the IAC consider in summary form a consolidation of the intelligence portions of the member-agency budgets.
- b. That a budgetary subcommittee of the IAC be created to assist the members of the IAC in their review.
- c. That the IAC report its recommendations to the Bureau of the Budget and to the Appropriations Committees of the Congress.
- d. That the Bureau of the Budget and Congress be requested to study the intelligence budgets as a coordinated program using, of course, one staff or subcommittee for this purpose.
- e. That supplemental requests, allocation of Congressional cuts, interim adjustments, etc., of any significance made by any department be reported to the IAC budget subcommittee so that IAC community influence can be excercised to prevent impairment of the national intelligence effort.

2. Arguments:

- a. This is the only rational responsible way for the Executive Branch to decide how much to spend for intelligence.
- b. Each agency's financial needs are explainable only in the context of what it gets from and gives to the other agencies in terms of service, etc., e.g., OCI's and Staff D's appropriations can be readily justified in relation to NSA's financial outlay.
- c. Many integrated programs, e.g., the National Intelligence Surveys, are nowhere considered in their entirety in the budget process; yet adverse action on one agency's appropriations (by its own senior fiscal officers or the Congress) can mangle the program.

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d. If IAC under DCI leadership doesn't seize the problem itself, it runs serious risk that ill-informed Bureau of the Budget or Congressional Staffs will do so and create havoc.

e. The practicality of this proposal has been demonstrated by the functioning of the [redacted] in a similar role despite the existence there of just as many bureaucratic, let-sleeping-dogs-lie arguments against it.

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Deputy Director/Intelligence